

News From...



## The Subcommittee on Human Rights and Wellness

Chairman Dan Burton (R ~ IN)

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### **“A NEW MEDICARE PRESCRIPTION DRUG BENEFIT: IS IT GOOD FOR SENIORS?”**

Washington, D.C. – On June 27, 2003, the U.S. House of Representatives passed the single largest expansion of Medicare since its inception in 1965, by narrowly approving *The Medicare Prescription Drug Modernization Act* (H.R.1). At first glance, H.R. 1 looks like the answer to the prayers of every senior who has been faced with paying outrageous prices for prescription drugs, but in reality, the bill creates an ill-conceived and incredibly expensive new open-ended entitlement program that places a financial yoke around the neck of American taxpayers for decades to come.

Congressman Dan Burton (R-IN-5), Chairman of the House Government Reform Subcommittee on Human Rights and Wellness, will hold a hearing, entitled **“A New Medicare Prescription Drug Benefit: Is It Good for Seniors?” The oversight hearing will be held on Thursday, July 17, 2003, in Room 2154 of the Rayburn House Office Building at 1:00 p.m.**

Stated Chairman Burton, “I strongly believe that responsible Medicare reform legislation must include sound financial planning. A prescription drug benefit without some mechanism to reduce prescription drug costs is a potential financial disaster.”

At the hearing, the Subcommittee will hear brief statements from Representatives Gil Gutknecht (R-MN) and Rahm Emanuel (D-IL), two of the principle sponsors of “*The Pharmaceutical Market Access Act*” (H.R. 2427). H.R. 2427 simply seeks to allow American consumers access to affordable FDA-approved prescription drugs from FDA-approved facilities in Canada and other industrialized nations.

A second panel of witnesses, with experts from the Heritage Foundation and American Enterprise Institute, will provide testimony regarding the projected short and long-term financial costs of adding a prescription drug component to the Medicare program. In addition, representatives from the Alliance for Retired Americans, the Consumers Union, and the Washington Business Health Group will discuss the potential adverse impact to seniors should a Medicare Prescription drug benefit, such as the House passed bill (H.R. 1), be enacted.

“Unless we substantially reform and restructure the Medicare and Medicaid programs, and figure out a way to responsibly restrain the costs of prescription drugs, there are only two possible end results; **huge tax increases or massive new budget deficits**, concluded Chairman Burton.”

**PANEL ONE WITNESSES:**

- **The Honorable Gil Gutknecht (R-MN)**
- **The Honorable Rahm Emanuel (D-IL)**

**PANEL TWO WITNESSES:**

- **Mr. Edmund Haiselmaier, Heritage Foundation**
- **Mr. Joseph Antos, American Enterprise Institute**
- **Mr. Donald Newcomb, Alliance for Retired Americans**
- **Ms. Helen Darling, President, Washington Business Group on Health**
- **Ms. Gail Shearer, Director, Health Policy Analysis, Consumers Union**

This is the fourth in an ongoing series of hearings being conducted by the Subcommittee to examine prescription drug pricing in the United States. For more information, or to look at previous hearing resource materials, please visit Congressman Burton’s designated healthcare section on his website at <http://www.house.gov/burton/healthcare.htm>.